

**Senate Committee: Education and Employment**

**QUESTION ON NOTICE  
Additional Estimates 2015 - 2016**

**Outcome: Early Childhood and Child Care**

**Department of Education and Training Question No. SQ16-000227**

Senator Lines, Sue asked on 10 February 2016, Proof Hansard page 140

***Number of families worse off***

**Question**

Senator LINES: To focus on that no-change group, how can so many families be in a situation where they will not be even slightly better off or slightly worse off?

Ms J Wilson: I am going to have to take that on notice.

**Answer**

The Department of Education and Training has used a tolerance range of five per cent. This means that for a family to be considered benefitting from the new policy their net costs would have to decrease by more than five per cent compared to the current policy. Likewise to be considered worse off their net costs would have to increase by more than five per cent compared to the current policy. It is considered that there is "no change" for families where their difference in net costs is within plus or minus five per cent compared to the current policy.

For example, a family with more than one child with each child using different types of child care may receive more subsidy for one child and less for the other. This may mean that overall, the family experiences no change.

Similarly a family earning less than \$65,710 per year may have a reduction in the number of hours of care they are eligible for based on their activity, but the level of subsidy they receive is more than under current arrangements. The net result of these two factors combined will result in them receiving approximately the same amount of subsidy under the *Jobs for Families* Child Care Package as they do under the current system.